

House Study Bill 740

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE, REGULATION AND
LABOR BILL BY CHAIRPERSON
JENKINS)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to licensing requirements to offer viatical
2 settlement contracts.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 6503YC 81
5 kk/je/5

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1 1 Section 1. NEW SECTION. 508E.5 LICENSING == EXCEPTIONS.
1 2 1. Notwithstanding any other provision of law to the
1 3 contrary, a person shall be deemed to meet the licensing
1 4 requirements adopted by rule pursuant to section 508E.4 and
1 5 shall be permitted to operate as a viatical settlement broker
1 6 if the person meets all of the following requirements:
1 7 a. The person is licensed as a resident or nonresident
1 8 insurance producer with a life insurance line of authority
1 9 under chapter 522B, has been licensed for at least one year,
1 10 and provides proof of such licensure to the commissioner.
1 11 b. The person notifies the commissioner that the person is
1 12 operating as a viatical settlement broker not later than
1 13 thirty days after operating as a viatical settlement broker in
1 14 this state.
1 15 c. The person provides the commissioner a signed
1 16 acknowledgment that the person will operate as a viatical
1 17 settlement broker in accordance with this chapter and any
1 18 rules adopted under this chapter.
1 19 d. The person pays to the commissioner a notification fee
1 20 of fifty dollars.
1 21 2. For the purposes of this section, a person shall be
1 22 deemed to meet the requirement of subsection 1, paragraph "a",
1 23 if the person is licensed as a resident life insurance
1 24 producer in another state, has been licensed for at least one
1 25 year, and provides proof of such licensure to the
1 26 commissioner.

EXPLANATION

1 27 This bill relates to licensing requirements to offer
1 28 viatical settlement contracts.
1 29 Under current law, the commissioner of insurance is
1 30 required to adopt rules to provide for licensing requirements
1 31 for persons offering viatical settlement contracts. The bill
1 32 provides that a person shall be deemed to meet those licensing
1 33 requirements and be permitted to operate as a viatical
1 34 settlement broker if the person meets certain requirements.
2 1 The requirements the person must meet under the bill include
2 2 that the person be licensed as a resident or nonresident
2 3 insurance producer with a life insurance line of authority
2 4 under Code chapter 522B for at least one year or licensed as a
2 5 resident life insurance producer in another state for at least
2 6 one year. The person must also notify the commissioner within
2 7 30 days that the person is operating as a viatical settlement
2 8 broker and pay a notification fee of \$50. The person must
2 9 also provide the commissioner a signed acknowledgment that the
2 10 person will operate as a viatical settlement broker according
2 11 to the requirements of Code chapter 508E and rule adopted by
2 12 the commissioner.
2 13 LSB 6503YC 81
2 14 kk:nh/je/5